

NEW MARKETS TAX CREDITS

THE ISSUE: LACK OF ACCESS TO CAPITAL FOR UNDERSERVED COMMUNITIES

Traditionally, investors and lenders have limited their products for low-income communities because returns are not perceived to be commensurate with risk.

THE SOLUTION: NEW MARKETS TAX CREDITS FINANCING IS AFFORDABLE

To date, NCB Capital Impact was awarded \$409 million in New Markets Tax Credits (NMTC) to provide health care organizations, charter schools, and other community organizations affordable financing nationwide. We also work with organizations that have received tax credits and are seeking appropriate investment opportunities.

NEW MARKETS TAX CREDITS: WHY - WHO - WHAT - HOW

Why? NCB Capital Impact has a superlative 25-year track record in providing innovative financing and technical assistance for underserved, low-income communities. We believe in providing community based organizations with affordable financing - allowing our borrowers to channel more scarce resources toward service provision, rather than facilities costs.

Who? A Community Development Entity (CDE) is a domestic corporation with a track record in development for low-income communities, and are certified to receive allocations of NMTC. CDEs can include community development corporations, private financial institutions and others. NCB Capital Impact is a certified CDE.

What? The product now available is a real estate backed community facilities loan with the following features:

Loan Term:	7 - 35 years
Amortization:	25- 30 years or interest-only
Interest Rate:	Below-Market
Loan to Value:	Up to 85% or more of appraised value, depending on adequacy of debt service coverage

How? CDEs secure equity investments from investors in the form of Qualified Equity Investments (QEIs), which are made in exchange for tax credits. CDEs use the QEI capital to make loans to qualified businesses and projects in low-income communities. Investors receive a seven-year 39% federal tax credit for QEIs made to CDEs.

OUR TRACK RECORD AND PIPELINE

Since 2005, we have closed over \$230 million in Qualified Equity Investments.

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Supporting people and communities to reach their highest potential at every stage of life.

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